

Reconciliation of the U.S.-Canadian Current Account, 2003 and 2004

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ON a reconciled basis, the U.S. deficit, or Canadian surplus, is \$38.3 billion for 2003 and \$52.2 billion for 2004 (chart 1, table 1).¹ The U.S.-published current-account balance with Canada is a U.S. deficit of \$30.4 billion for 2003 and a U.S. deficit of \$42.2 billion for 2004; the corresponding Canadian-published balance is a Canadian surplus of \$41.4 billion for 2003 and a Canadian surplus of \$53.4 billion for 2004.²

The results of the reconciliation of the bilateral current-account estimates of Canada and the United States for 2003 and 2004 are presented in this article.³ The details of the current-account reconciliation for 2003 and 2004 are presented in the tables that follow this article. Tables 2.1 and 2.2 show the details of the major types of reconciliation adjustments—definitional, methodological, and statistical—that were made to the major current-account components. Tables 3.1 and 3.2 present the published estimates, the estimates on a common basis (after the estimates have been adjusted for definitional and methodological differences), the reconciled estimates, and the amounts of the adjustments for each major current-account com-

1. The reconciled estimates are intended to show how the current-account estimates would appear if both countries used the same definitions, methodologies, and data sources. In this article, all values are expressed in U.S. dollars.

2. For this year's reconciliation, the U.S. deficit for 2003 is revised down from the previously published deficit of \$32.1 billion used in last year's reconciliation, and the Canadian surplus for 2003 is revised down from the previously published surplus of \$44.7 billion used in last year's reconciliation.

3. The reconciliation of the current account has been undertaken each year since 1970. Summary results of the reconciliations were published in the United States in the following issues of the *SURVEY OF CURRENT BUSINESS*: June 1975, September 1976 and 1977, December 1978 and 1979, June 1981, and each December of 1981–91. Complete details of the reconciliations were published in the following issues of the *SURVEY*: November 1992, each October of 1993–95, and each November of 1996–2004. In Canada, the results were published in the following issues of *Canada's Balance of International Payments* (catalogue 67-001), a publication of Statistics Canada: Fourth Quarter 1973, Second Quarter 1976 and 1977, Third Quarter 1978 and 1979, First Quarter 1981, and each Third Quarter of 1981–2004.

ponent. Tables 4–7 present the reconciliation details for goods, services, and investment income.⁴

4. For the reconciliation, some of the details presented in the tables in this article differ from those presented in the balance-of-payments tables regularly published by the U.S. Bureau of Economic Analysis and by Statistics Canada.

Chart 1. U.S.-Canadian Current-Account Balance

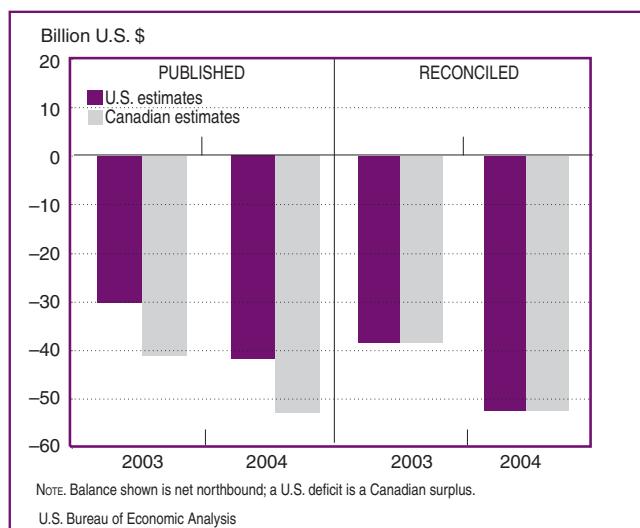


Table 1. Major U.S.-Canadian Balances
[Billions of U.S. dollars]

	Published estimates		Reconciled estimates	
	United States	Canada	United States	Canada
2003				
Goods and services	-46.7	59.6	-57.4	57.4
Goods	-54.3	64.3	-63.3	63.3
Services	7.6	-4.7	5.9	-5.9
Income	16.5	-20.6	19.4	-19.4
Current unilateral transfers.....	-0.2	2.4	-0.3	0.3
Current account	-30.4	41.4	-38.3	38.3
2004				
Goods and services	-59.8	72.2	-73.0	73.0
Goods	-69.1	77.4	-78.9	78.9
Services	9.2	-5.2	6.0	-6.0
Income	18.3	-21.6	21.4	-21.4
Current unilateral transfers.....	-0.7	2.9	-0.7	0.7
Current account	-42.2	53.4	-52.2	52.2

NOTE: A U.S. surplus (+) is a Canadian deficit (-), and a Canadian surplus (+) is a U.S. deficit (-). Details may not add to totals because of rounding.

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Reconciled Current-Account Balances

In the U.S. current account, the reconciliation adjustments result in an increase of \$7.9 billion in the U.S. deficit for 2003 and an increase of \$10.0 billion in the U.S. deficit for 2004. For both years, the increases reflect larger upward adjustments to the U.S. southbound estimates than to the U.S. northbound estimates (tables 2.1 and 2.2).⁵ For both years, the largest increases in the U.S. southbound estimates result from the addition of Canadian reexports to U.S. goods imports (a definitional adjustment), from the valuation of U.S. natural gas imports to include inland freight (a definitional adjustment), and from statistical adjustments to southbound services. For both years,

5. In this article, the term "northbound" refers to U.S. exports of goods and services, U.S. income receipts, and current unilateral transfers to the United States, and it refers to Canadian imports of goods and services, Canadian income payments, and current unilateral transfers from Canada. The term "southbound" refers to U.S. imports of goods and services, U.S. income payments, and current unilateral transfers from the United States, and it refers to Canadian exports of goods and services, Canadian income receipts, and current unilateral transfers to Canada.

the largest increases in the U.S. northbound estimates result from upward adjustments to investment income for statistical differences in income on U.S. holdings of Canadian bonds and from adjustments for statistical differences in "other" services.

In the Canadian current account, the reconciliation adjustments result in a decrease of \$3.1 billion in the Canadian surplus for 2003 and in a decrease of \$1.2 billion in the Canadian surplus for 2004. For both years, the decreases in the Canadian surplus reflect larger downward adjustments to the Canadian southbound estimates than to the Canadian northbound estimates. For both years, the largest downward adjustments to the Canadian southbound estimates are from definitional adjustments to goods, from the elimination of the withholding taxes in current unilateral transfers (definitional adjustment), and from adjustments for definitional differences in "other" services. In the Canadian northbound estimates, the largest downward adjustments are to eliminate statisti-

Note on the U.S.-Canadian Current-Account Reconciliation

The U.S.-Canadian current-account reconciliation, which explains the differences between the estimates of the bilateral current account published by the U.S. Bureau of Economic Analysis (BEA) and those published by Statistics Canada, is undertaken because of the extensive economic links between Canada and the United States. The reconciled estimates are intended to assist analysts who use both countries' statistics and to show how the current-account estimates would appear if both countries used common definitions, methodologies, and data sources.¹

In principle, the bilateral current account of one country should mirror the bilateral current account of the other country. Differences occur in the published estimates of the U.S. and Canadian current accounts because of variations in the definitions, methodologies, and statistical sources that are used by each country. Some of the differences for 2004 are in components of the current account for which data are still preliminary and subject to revision; these differences may be eliminated when final data for these components become available.

The longstanding Canadian-U.S. current-account reconciliation is among the leading examples of the benefits

of international data exchanges. As a part of the reconciliation process, Canada and the United States have evaluated the accuracy of each other's estimates, and as a result, each country now includes in its published estimates some data that are provided by the other country. The exchange of data between Canada and the United States for transactions such as trade in goods, travel, passenger fares, Canadian and U.S. Government transactions, and some large transportation transactions covers a substantial portion of the value of the Canadian and U.S. current account and has eliminated some of the differences in the Canadian- and U.S.-published estimates. In addition, the reconciliation process has highlighted areas where errors and omissions may exist in each country's estimates, which has helped in targeting data improvement efforts.

Although the U.S.- and Canadian-published estimates are reconciled and there is extensive exchange of data between Canada and the United States, differences in the published estimates remain. Complete substitution of the reconciled estimates for published estimates and complete exchange of data are not feasible for several reasons. For trade in goods, imports in the U.S. accounts would be affected because the United States attributes Canadian reexports to the country of origin rather than to Canada, the last country of shipment. For some accounts, the protection of the confidentiality of the source data bars the exchange of data. Finally, a few differences are attributable to different requirements for integrating the international and national (domestic) accounts in each country.

1. A detailed article on the methodology was published by BEA in "Reconciliation of the U.S.-Canadian Current Account" in the November 1992 Survey and by Statistics Canada in *Reconciliation of the Canadian-United States Current Account, 1990-1991*. Statistics Canada also published a shortened version in the December 1992 *Canadian Economic Observer* and in Canada's *Balance of International Payments, Third Quarter 1992*.

cal differences in income on U.S. holdings of Canadian bonds and to eliminate withholding taxes from direct investment and “other” investment income (definitional adjustments).

Summary of Reconciliation Methodology

In reconciling the U.S.- and Canadian-published bilateral current-account estimates, the estimates are first restated to a common basis—that is, they are adjusted for definitional and methodological differences; the remaining adjustments that are needed to reach the reconciled values are the statistical adjustments. The framework for reconciling the U.S. and Canadian estimates to a common basis mainly follows the international standards published in the International Monetary Fund’s *Balance of Payments Manual* (fifth edition). The U.S.- and Canadian-published estimates now largely conform to the international standards, but some differences with the international standards—and between the U.S. and Canadian estimates—remain in the published estimates because of data limitations, difficulties in determining country attribution, differences in classification, and because in a few cases, international standards provide for more than one acceptable treatment.

The definitional adjustments mainly reflect data limitations and differences in country attribution. For example, as part of the reconciliation, U.S.-published estimates of imports of goods from Canada are adjusted to include Canadian reexports to the United States (goods imported by Canada from third countries and then reexported to the United States without substantial changes) because U.S. imports of goods are recorded on a country-of-origin basis. Another example of a definitional adjustment is that the Canadian estimates, mainly investment income, are adjusted to a basis that is net of withholding taxes because the U.S. withholding tax estimates—which are included on a global basis in the U.S.-published accounts—cannot be allocated by country for comparison with the Canadian estimates. As a result, the reconciled estimates depart from the international statistical standards, but without this adjustment, the estimates could not be compared on a common basis.

The methodological adjustments mainly reflect differences in classification. For example, parts of the U.S. estimates of film rentals and courier services are recorded in various services accounts; for reconciliation, they are reclassified to a single account. A few U.S. and Canadian accounts, mainly interest income, are adjusted to a net or gross basis for comparability. Methodological adjustments do not affect the current-account balance because the northbound and the southbound methodological adjustments are offsetting.

Statistical differences reflect the use of different source data in the United States and Canada, the difficulty in determining country attribution because of insufficient data, the preliminary nature of some of the data (particularly for the most recent year), and the use of sample data between benchmarks. For both the northbound and the southbound estimates, most of the statistical differences are in the U.S. and Canadian estimates of “other” services and of investment income.

Acknowledgements

The reconciliations were carried out under the direction of Denis Caron, Chief, Current Account, at Statistics Canada and Patricia Abaroa, Edward Dozier, and Renee Sauers, international economists at BEA. At Statistics Canada, Angela Yuan was responsible for the production and coordination of reconciliation tables, Denis Caron was responsible for reconciling Canadian goods and services, Christian Lajule for Canadian direct investment income, and Robert Théberge for Canadian portfolio investment income, with the collaboration and assistance of Brian André, Heather Collier, Michael Marth, and Éric Simard. At BEA, Mai-Chi Hoang was responsible for reconciling goods; Edward Dozier and Erin Nephew, for services, with the assistance of Matthew Argersinger for financial services; Gregory Fouch, for the accounts related to Canadian direct investment in the United States; Mark New, for the accounts related to U.S. direct investment in Canada; and Kristy Howell for the portfolio income accounts.

Tables 2.1 through 7.2 follow.

Table 2.1. Summary of Reconciliation Adjustments, Northbound, 2003
 [Millions of U.S. dollars]

	Definitional		Methodological		Statistical		Total	
	United States	Canada	United States	Canada	United States	Canada	United States	Canada
Goods, balance-of-payments basis.....	-38	-405	223	.....	256	-678	441	-1,083
Definitional adjustments.....	-38	-405	223	.....	256	-678	441	-1,083
Reclassification of equipment repairs from unaffiliated services.....	.....	223	.....	.....	.....	.....	223	.....
Statistical adjustments.....	.....	.....	.....	256	-678	256	-678	.....
Services.....	-128	-769	-223	-99	507	-87	156	-955
Travel.....	.....	.....	877	.....	-119	-94	758	-94
Reclassification of education from unaffiliated services.....	.....	645	.....	.....	.....	.....	645	.....
Reclassification of medical services from unaffiliated services.....	.....	232	.....	.....	.....	.....	232	.....
Statistical adjustments.....	.....	.....	.....	-119	-94	-119	-94	.....
Passenger fares.....	.....	.....	.....	.....	-582	.....	-582	.....
Other transportation.....	.....	-143	168	29	-61	29	-36	.....
Definitional adjustments.....	.....	-143	168	29	-61	29	-36	-143
Reclassification of transportation services from unaffiliated services.....	.....	168	29	-61	29	-36	168	.....
Statistical adjustments.....	.....	.....	29	-61	29	-36	29	-61
Other services.....	-128	-626	-1,100	-267	1,179	68	-49	-825
Affiliated.....	.....	-134	-364	33	200	-1,286	-164	-1,387
Definitional adjustments.....	.....	-134	33	200	.....	.....	.....	-134
Reclassification of film rentals and courier services to unaffiliated services.....	.....	-364	.....	.....	.....	-364	.....	33
Reclassification of selected services from unaffiliated services.....	.....	.....	33	.....	.....	200	-1,286	33
Statistical adjustments.....	.....	.....	.....	200	-1,286	200	-1,286	.....
Unaffiliated.....	.....	-491	-736	-300	979	1,304	243	513
Definitional adjustments.....	.....	-491	979	1,304	243	513	.....	-491
Reclassification of transactions to or from other accounts.....	.....	-736	-300	979	1,304	243	513	-300
Statistical adjustments.....	.....	.....	979	1,304	243	513	979	1,304
U.S. military sales.....	-128	.....	.....	.....	50	-128	50	.....
Definitional adjustments.....	-128	.....	.....	.....	50	-128	50	.....
Statistical adjustments.....	.....	.....	.....	.....	50	.....	50	.....
Income.....	568	-2,648	-484	-660	1,761	3,109	1,845	-199
Direct investment.....	78	-1,075	.....	-117	-1,561	5,570	-1,639	4,378
Definitional adjustments.....	78	-1,075	.....	-117	5,570	5,570	-1,639	4,378
Adjustment of interest income to a net basis.....	.....	.....	.....	-117	.....	.....	-78	-1,075
Statistical adjustments.....	.....	.....	.....	.....	-1,561	5,570	-1,561	5,570
Other investment.....	646	-1,573	-484	-642	3,322	-2,461	3,484	-4,676
Definitional adjustments.....	646	-1,573	.....	-642	3,322	-2,461	646	-1,573
Adjustment of interest income to a net basis.....	.....	.....	-484	-642	.....	.....	-484	-642
Statistical adjustments.....	.....	.....	.....	.....	3,322	-2,461	3,322	-2,461
Compensation of employees.....	.....	.....	.....	99	.....	.....	99	99
Reclassification from unaffiliated services.....	.....	.....	.....	99	.....	.....	99	99
Current unilateral transfers.....	.....	-385	902	.....	-153	418	749	33
Definitional adjustments.....	.....	-385	902	.....	.....	.....	902	33
Adjustment of U.S. transfers to a gross basis.....	.....	902	.....	.....	-153	418	-153	-385
Statistical adjustments.....	.....	.....	.....	.....	418	418	418	.....
Total adjustments.....	402	-4,207	418	-759	2,371	2,762	3,191	-2,204

Table 2.1. Summary of Reconciliation Adjustments, Northbound, 2004
 [Millions of U.S. dollars]

	Definitional		Methodological		Statistical		Total	
	United States	Canada	United States	Canada	United States	Canada	United States	Canada
Goods, balance-of-payments basis.....	-4	-654	152	.....	724	-628	872	-1,282
Definitional adjustments.....	-4	-654	.....	.....	.....	.....	-4	-654
Reclassification of equipment repairs from unaffiliated services.....	.....	.....	152	.....	.....	.....	152	.....
Statistical adjustments.....	.....	.....	.....	.....	724	-628	724	-628
Services.....	-89	-837	-152	-110	459	-642	218	-1,589
Travel.....	.....	.....	917	.....	-699	-23	218	-23
Reclassification of education from unaffiliated services.....	.....	.....	671	.....	.....	.....	671	.....
Reclassification of medical services from unaffiliated services.....	.....	.....	246	.....	.....	.....	246	.....
Statistical adjustments.....	.....	.....	.....	.....	-699	-23	-699	-23
Passenger fares.....	.....	.....	.....	.....	-673	.....	-673	.....
Other transportation.....	.....	-163	.....	146	35	46	35	29
Definitional adjustments.....	.....	-163	.....	.....	.....	.....	.....	-163
Reclassification of transportation services from unaffiliated services.....	.....	.....	146	.....	.....	.....	146	.....
Statistical adjustments.....	.....	.....	.....	.....	35	46	35	46
Other services.....	-89	-674	-1,069	-256	1,796	-665	638	-1,595
Affiliated.....	.....	.....	-161	-378	36	700	-1,792	322
Definitional adjustments.....	.....	.....	-161	.....	.....	.....	.....	-161
Reclassification of film rentals and courier services to unaffiliated services.....	.....	.....	-378	.....	.....	.....	36	.....
Reclassification of selected services from unaffiliated services.....	.....	.....	.....	36	.....	.....	700	-1,792
Statistical adjustments.....	.....	.....	.....	.....	700	-1,792	700	-1,792
Unaffiliated.....	.....	.....	-513	-691	-292	1,096	1,086	405
Definitional adjustments.....	.....	.....	-513	.....	.....	.....	.....	-513
Reclassification of transactions to or from other accounts.....	.....	.....	-691	-292	.....	.....	-691	-292
Statistical adjustments.....	.....	.....	.....	.....	1,096	1,086	1,096	1,086
U.S. military sales.....	-89	.....	.....	.....	.....	41	-89	41
Definitional adjustments.....	-89	.....	.....	.....	.....	.....	-89	.....
Statistical adjustments.....	.....	.....	.....	.....	41	.....	41	.....
Income.....	578	-3,110	-513	-614	1,499	5,235	1,564	1,511
Direct investment.....	.....	.....	-127	-1,375	.....	.....	.....	.....
Definitional adjustments.....	.....	.....	-127	-1,375	.....	.....	.....	.....
Adjustment of interest income to a net basis.....	.....	.....	.....	.....	-1,301	7,185	-1,428	5,672
Statistical adjustments.....	.....	.....	.....	.....	.....	7,185	-127	-1,375
Other investment.....	705	-1,735	-513	-586	2,800	-1,950	2,992	-4,271
Definitional adjustments.....	705	-1,735	.....	.....	.....	.....	705	-1,735
Adjustment of interest income to a net basis.....	.....	.....	-513	-586	.....	.....	-513	-586
Statistical adjustments.....	.....	.....	.....	.....	2,800	-1,950	2,800	-1,950
Compensation of employees.....	.....	.....	.....	110	.....	.....	.....	110
Reclassification from unaffiliated services.....	.....	.....	.....	110	.....	.....	.....	110
Current unilateral transfers.....	.....	.....	-482	806	.....	-86	344	720
Definitional adjustments.....	.....	.....	-482	806	.....	.....	.....	-482
Adjustment of U.S. transfers to a gross basis.....	.....	.....	806	.....	.....	-86	344	806
Statistical adjustments.....	.....	.....	.....	.....	-86	344	-86	344
Total adjustments.....	485	-5,083	293	-724	2,596	4,309	3,374	-1,498

Table 2.2. Summary of Reconciliation Adjustments, Southbound, 2003

[Millions of U.S. dollars]

	Definitional		Methodological		Statistical		Total	
	Canada	United States	Canada	United States	Canada	United States	Canada	United States
Goods, balance-of-payments basis	-2,665	9,327	.....	36	558	77	-2,107	9,440
Canadian reexports to the United States .....	.....	6,617	.....	.....	.....	.....	.....	6,617
Inland freight adjustment	2,151	2,419	.....	.....	.....	.....	2,151	2,419
Other definitional adjustments	-4,816	291	.....	.....	.....	.....	-4,816	291
Reclassification of equipment repairs from unaffiliated services .....	.....	.....	36	.....	.....	.....	.....	36
Statistical adjustments .....	.....	.....	.....	558	77	558	558	77
Services	-1,597	-73	-305	-36	-252	1,960	-2,154	1,851
Travel .....	.....	.....	.....	120	.....	-17	.....	103
Reclassification of education from unaffiliated services .....	.....	.....	.....	58	.....	.....	.....	58
Reclassification of medical services from unaffiliated services .....	.....	.....	.....	62	.....	.....	.....	62
Statistical adjustments .....	.....	.....	.....	.....	.....	-17	.....	-17
Passenger fares .....	.....	.....	.....	.....	.....	-1	.....	-1
Other transportation	-74	-53	90	-191	97	-4	113	-248
Definitional adjustments	-74	-53	.....	.....	.....	.....	-74	-53
Reclassification of courier services to unaffiliated services .....	.....	.....	.....	-191	.....	.....	.....	-191
Reclassification of transportation services from unaffiliated services .....	.....	.....	90	.....	.....	.....	90	.....
Statistical adjustments .....	.....	.....	.....	97	.....	-4	97	-4
Other services	-1,523	-20	-395	35	-349	1,982	-2,267	1,997
Affiliated	-927	.....	6	-41	-503	113	-1,424	72
Definitional adjustments	-927	.....	.....	.....	.....	.....	-927	.....
Reclassification of selected services to or from unaffiliated services .....	.....	.....	6	-41	.....	.....	6	-41
Statistical adjustments .....	.....	.....	.....	.....	-503	113	-503	113
Unaffiliated	-596	.....	-401	76	153	1,869	-844	1,945
Definitional adjustments	-596	.....	.....	.....	.....	.....	-596	.....
Reclassification of transactions to or from other accounts .....	.....	.....	-401	76	.....	.....	-401	76
Statistical adjustments .....	.....	.....	.....	.....	153	1,869	153	1,869
U.S. defense expenditures .....	.....	-20	.....	.....	1	.....	1	-20
Definitional adjustments .....	.....	-20	.....	.....	1	.....	1	-20
Statistical adjustments .....	.....	.....	.....	.....	1	.....	1	.....
Income	-794	-288	-505	-484	2,314	-240	1,015	-1,012
Direct investment	-304	-288	-117	.....	1,290	269	869	-19
Definitional adjustments	-304	-288	.....	.....	.....	.....	-304	-288
Adjustment of interest income to a net basis .....	.....	.....	-117	.....	.....	.....	-117	.....
Statistical adjustments .....	.....	.....	.....	.....	1,290	269	1,290	269
Other investment	-490	.....	-642	-484	933	-509	-199	-993
Definitional adjustments	-490	.....	.....	.....	.....	.....	-490	.....
Adjustment of interest income to a net basis .....	.....	.....	-642	-484	.....	.....	-642	-484
Statistical adjustments .....	.....	.....	.....	.....	933	-509	933	-509
Compensation of employees .....	.....	.....	254	.....	91	.....	345	.....
Reclassification from unaffiliated services .....	.....	.....	254	.....	91	.....	254	.....
Statistical adjustments .....	.....	.....	.....	.....	91	.....	91	.....
Current unilateral transfers	-2,128	.....	51	902	-24	-76	-2,101	826
Definitional adjustments	-2,128	.....	.....	.....	.....	.....	-2,128	.....
Reclassification from unaffiliated services .....	.....	.....	51	.....	.....	.....	51	.....
Adjustment of U.S. transfers to a gross basis .....	.....	.....	.....	902	.....	.....	.....	902
Statistical adjustments .....	.....	.....	.....	.....	-24	-76	-24	-76
Total adjustments	-7,184	8,966	-759	418	2,596	1,721	-5,347	11,105

Table 2.2. Summary of Reconciliation Adjustments, Southbound, 2004
 [Millions of U.S. dollars]

	Definitional		Methodological		Statistical		Total	
	Canada	United States	Canada	United States	Canada	United States	Canada	United States
Goods, balance-of-payments basis	-1,726	10,629	33	1,993	83	267	10,745	
Canadian reexports to the United States		7,091					7,091	
Inland freight adjustment	2,627	2,964					2,627	2,964
Other definitional adjustments	-4,353	574					-4,353	574
Reclassification of equipment repairs from unaffiliated services			33					33
Statistical adjustments				1,993	83	1,993		83
Services	-1,677	-94	-328	-33	-341	3,589	-2,346	3,462
Travel				128		277		405
Reclassification of education from unaffiliated services				64				64
Reclassification of medical services from unaffiliated services				64				64
Statistical adjustments						277		277
Passenger fares						3		3
Other transportation	-228	-74	108	-265	144	-29	24	-368
Definitional adjustments	-228	-74		-265			-228	-74
Reclassification of courier services to unaffiliated services			108				108	-265
Reclassification of transportation services from unaffiliated services					144	-29	144	-29
Statistical adjustments								
Other services	-1,449	-20	-436	104	-485	3,338	-2,370	3,422
Affiliated	-924			6	-56	-734	(D)	-1,652
Definitional adjustments	-924						-924	
Reclassification of selected services to or from unaffiliated services			6	-56			6	-56
Statistical adjustments					-734	(D)	-734	(D)
Unaffiliated	-525			-442	160	247	(D)	-720
Definitional adjustments	-525						-525	
Reclassification of transactions to or from other accounts			-442	160			-442	160
Statistical adjustments					247	(D)	247	(D)
U.S. defense expenditures		-20				2		-20
Definitional adjustments		-20						-20
Statistical adjustments					2		2	
Income	-526	-204	-441	-513	2,716	-759	1,749	-1,476
Direct investment	-328	-204	-138		1,379	-295	913	-499
Definitional adjustments	-328	-204					328	-204
Adjustment of interest income to a net basis			-138				-138	
Statistical adjustments					1,379	-295	1,379	-295
Other investment	-198		-586	-513	1,244	-464	460	-977
Definitional adjustments	-198						-198	
Adjustment of interest income to a net basis			-586	-513			-586	-513
Statistical adjustments					1,244	-464	1,244	-464
Compensation of employees			283		93		376	
Reclassification from unaffiliated services			283				283	
Statistical adjustments					93		93	
Current unilateral transfers	-2,570		45	806	170	-110	-2,355	696
Definitional adjustments	-2,570						-2,570	
Reclassification from unaffiliated services			45				45	
Adjustment of U.S. transfers to a gross basis				806				806
Statistical adjustments					170	-110	170	-110
Total adjustments	-6,499	10,331	-724	293	4,538	2,803	-2,685	13,427

D Suppressed to avoid disclosure of data of individual companies.

Table 3.1. U.S.-Canadian Current-Account Reconciliation, Northbound
[Millions of U.S. dollars]

	Published estimates			Common-basis estimates after definitional and methodological adjustments			Reconciled estimates, including statistical adjustments		Total adjustments to published estimates	
	U.S. receipts	Canadian payments	Difference	U.S. receipts	Canadian payments	Difference	U.S. receipts	Canadian payments	United States	Canada
2003										
Goods and services	197,567	200,202	-2,635	197,401	198,929	-1,528	198,164	198,164	597	-2,038
Goods, balance-of-payments basis.....	169,929	171,453	-1,524	170,114	171,048	-934	170,370	170,370	441	-1,083
Services	27,638	28,749	-1,111	27,287	27,881	-594	27,794	27,794	156	-955
Travel	6,844	7,696	-852	7,721	7,696	25	7,602	7,602	758	-94
Passenger fares	2,114	1,532	582	2,114	1,532	582	1,532	1,532	-582	.....
Other transportation	2,525	2,590	-65	2,525	2,615	-90	2,554	2,554	29	-36
Other services.....	16,155	16,931	-776	14,927	16,038	-1,111	16,106	16,106	-49	-825
Income	25,772	27,816	-2,044	25,856	24,508	1,348	27,617	27,617	1,845	-199
Investment income	25,673	27,816	-2,143	25,757	24,409	1,348	27,518	27,518	1,845	-298
Direct investment.....	17,328	11,311	6,017	17,250	10,119	7,131	15,689	15,689	-1,639	4,378
Other investment.....	8,345	16,505	-8,160	8,507	14,290	-5,783	11,829	11,829	3,484	-4,676
Compensation of employees.....	99	(¹)	99	99	99	.....	99	99	.....	99
Current unilateral transfers	(¹)	716	-716	902	331	571	749	749	749	33
Current account, northbound	223,339	228,734	-5,395	224,159	223,768	391	226,530	226,530	3,191	-2,204
2004										
Goods and services	219,898	223,859	-3,961	219,805	222,258	-2,453	220,988	220,988	1,090	-2,871
Goods, balance-of-payments basis.....	189,982	192,136	-2,154	190,130	191,482	-1,352	190,854	190,854	872	-1,282
Services	29,916	31,723	-1,807	29,675	30,776	-1,101	30,134	30,134	218	-1,589
Travel	7,930	8,171	-241	8,847	8,171	676	8,148	8,148	218	-23
Passenger fares	2,506	1,833	673	2,506	1,833	673	1,833	1,833	-673	.....
Other transportation	2,744	2,750	-6	2,744	2,733	11	2,779	2,779	35	29
Other services.....	16,736	18,969	-2,233	15,578	18,039	-2,461	17,374	17,374	638	-1,595
Income	32,646	32,699	-53	32,711	28,975	3,736	34,210	34,210	1,564	1,511
Investment income	32,536	32,699	-163	32,601	28,865	3,736	34,100	34,100	1,564	1,401
Direct investment.....	22,567	15,467	7,100	22,440	13,954	8,486	21,139	21,139	-1,428	5,672
Other investment.....	9,969	17,232	-7,263	10,161	14,911	-4,750	12,961	12,961	2,992	-4,271
Compensation of employees.....	110	(¹)	110	110	110	.....	110	110	.....	110
Current unilateral transfers	(¹)	858	-858	806	376	430	720	720	720	-138
Current account, northbound	252,544	257,416	-4,872	253,322	251,609	1,713	255,918	255,918	3,374	-1,498

1. In the Canadian published accounts, compensation of employees is included in "other" services.

2. Current unilateral transfers are published on a net basis in the U.S. accounts and appear as net payments in table 3.2.

Table 3.2. U.S.-Canadian Current-Account Reconciliation, Southbound
[Millions of U.S. dollars]

	Published estimates			Common-basis estimates after definitional and methodological adjustments			Reconciled estimates, including statistical adjustments		Total adjustments to published estimates	
	Canadian receipts	U.S. payments	Difference	Canadian receipts	U.S. payments	Difference	Canadian receipts	U.S. payments	Canada	United States
2003										
Goods and services	259,829	244,277	15,552	255,262	253,531	1,731	255,568	255,568	-4,261	11,291
Goods, balance-of-payments basis.....	235,796	224,249	11,547	233,131	233,612	-481	233,689	233,689	-2,107	9,440
Services	24,033	20,028	4,005	22,131	19,919	2,212	21,879	21,879	-2,154	1,851
Travel	6,479	6,376	103	6,479	6,496	-17	6,479	6,479	.....	103
Passenger fares	405	406	-1	405	406	-1	405	405	.....	-1
Other transportation.....	3,257	3,618	-361	3,273	3,374	-101	3,370	3,370	113	-248
Other services	13,892	9,628	4,264	11,974	9,643	2,331	11,625	11,625	-2,267	1,997
Income	7,199	9,226	-2,027	5,900	8,454	-2,554	8,214	8,214	1,015	-1,012
Investment income	7,199	8,881	-1,682	5,646	8,109	-2,463	7,869	7,869	670	-1,012
Direct investment.....	2,148	3,036	-888	1,727	2,748	-1,021	3,017	3,017	869	-19
Other investment.....	5,051	5,845	-794	3,919	5,361	-1,442	4,852	4,852	-199	-993
Other private investment.....	4,146	4,885	-739	3,092	4,401	-1,309	3,958	3,958	-188	-927
U.S. Government liabilities.....	905	960	-55	827	960	-133	894	894	-11	-66
Compensation of employees	(¹)	345	-345	254	345	-91	345	345	345	.....
Current unilateral transfers	3,117	190	2,927	1,040	1,092	-52	1,016	1,016	-2,101	826
Current account, southbound	270,145	253,693	16,452	262,202	263,077	-875	264,798	264,798	-5,347	11,105
2004										
Goods and services	296,022	279,736	16,286	292,291	290,271	2,020	293,943	293,943	-2,079	14,207
Goods, balance-of-payments basis	269,512	259,034	10,478	267,786	269,696	-1,910	269,779	269,779	267	10,745
Services	26,510	20,702	5,808	24,505	20,575	3,930	24,164	24,164	-2,346	3,462
Travel	7,583	7,178	405	7,583	7,306	277	7,583	7,583	.....	405
Passenger fares	445	442	3	445	442	3	445	445	.....	3
Other transportation	3,665	4,057	-392	3,545	3,718	-173	3,689	3,689	24	-368
Other services	14,817	9,025	5,792	12,932	9,109	3,823	12,447	12,447	-2,370	3,422
Income	11,079	14,304	-3,225	10,112	13,587	-3,475	12,828	12,828	1,749	-1,476
Investment income	11,079	13,928	-2,849	9,829	13,211	-3,382	12,452	12,452	1,373	-1,476
Direct investment	5,108	6,520	-1,412	4,642	6,316	-1,674	6,021	6,021	913	-499
Other investment	5,971	7,408	-1,437	5,187	6,895	-1,708	6,431	6,431	460	-977
Other private investment	5,000	6,240	-1,240	4,254	5,727	-1,473	5,381	5,381	381	-859
U.S. Government liabilities	971	1,168	-197	933	1,168	-235	1,050	1,050	79	-118
Compensation of employees	(¹)	376	-376	283	376	-93	376	376	376	.....
Current unilateral transfers	3,736	685	3,051	1,211	1,491	-280	1,381	1,381	-2,355	696
Current account, southbound	310,837	294,725	16,112	303,614	305,349	-1,735	308,152	308,152	-2,685	13,427

1. In the Canadian published accounts, compensation of employees is included in "other" services.

Table 4.1. Trade in Goods, Northbound
 [Millions of U.S. dollars]

	U.S. receipts	Canadian payments
2003		
Balance-of-payments basis, published	169,929	171,453
Definitional and methodological adjustments:		
Definitional adjustments	-38	-405
Reclassification of equipment repairs from unaffiliated services.....	223	.....
Common basis after definitional and methodological adjustments.....	170,114	171,048
Statistical adjustments.....	256	-678
Reconciled, including statistical adjustments.....	170,370	170,370
2004		
Balance-of-payments basis, published	189,982	192,136
Definitional and methodological adjustments:		
Definitional adjustments	-4	-654
Reclassification of equipment repairs from unaffiliated services.....	152	.....
Common basis after definitional and methodological adjustments.....	190,130	191,482
Statistical adjustments.....	724	-628
Reconciled, including statistical adjustments.....	190,854	190,854

Table 4.2. Trade in Goods, Southbound
 [Millions of U.S. dollars]

	Canadian receipts	U.S. payments
2003		
Balance-of-payments basis, published	235,796	224,249
Definitional and methodological adjustments:		
Canadian reexports to the United States .....	.....	6,617
Inland freight adjustment.....	2,151	2,419
Other definitional adjustments.....	-4,816	291
Reclassification of equipment repairs from unaffiliated services.....	.....	36
Common basis after definitional and methodological adjustments	233,131	233,612
Statistical adjustments.....	558	77
Reconciled, including statistical adjustments.....	233,689	233,689
2004		
Balance-of-payments basis, published	269,512	259,034
Definitional and methodological adjustments:		
Canadian reexports to the United States .....	.....	7,091
Inland freight adjustment.....	2,627	2,964
Other definitional adjustments.....	-4,353	574
Reclassification of equipment repairs from unaffiliated services.....	.....	33
Common basis after definitional and methodological adjustments	267,786	269,696
Statistical adjustments.....	1,993	83
Reconciled, including statistical adjustments.....	269,779	269,779

Table 5.1. Travel, Passenger Fares, and Other Transportation, Northbound
 [Millions of U.S. dollars]

	Published estimates			Common-basis estimates after definitional and methodological adjustments			Reconciled estimates, including statistical adjustments		Total adjustments to published estimates		
	U.S. receipts	Canadian payments	Difference	U.S. receipts	Canadian payments	Difference	U.S. receipts	Canadian payments	United States	Canada	Type of adjustment
2003											
Travel	6,844	7,696	-852	7,721	7,696	25	7,602	7,602	758	-94	
Business and personal.....	6,844	6,725	119	6,844	6,725	119	6,725	6,725	-119	.....	Statistical
Education.....		687	-687	645	687	-42	645	645	645	-42	Methodological and statistical
Medical.....		284	-284	232	284	-52	232	232	232	-52	Methodological and statistical
Passenger fares	2,114	1,532	582	2,114	1,532	582	1,532	1,532	-582	.....	Statistical
Other transportation	2,525	2,590	-65	2,525	2,615	-90	2,554	2,554	29	-36	
Freight.....	1,958	2,088	-130	1,951	2,031	-80	1,976	1,976	18	-112	
Ocean.....	168	362	-194	161	278	-117	220	220	52	-142	Definitional, methodological, and statistical
Air.....	104	32	72	104	59	45	59	59	-45	27	Definitional and statistical
Truck.....	1,304	1,302	2	1,304	1,302	2	1,304	1,304	2	2	Statistical
Other.....	382	392	-10	382	392	-10	393	393	11	1	Statistical
Port services	567	465	102	567	547	20	541	541	-26	76	Statistical
Vessel operators.....	64	38	26	64	38	26	38	38	-26	.....	Definitional and statistical
Airline operators.....	309	393	-84	309	307	2	309	309	.....	-84	Methodological and statistical
Other	194	34	160	194	202	-8	194	194	.....	160	Definitional and statistical
Other .....	.....	37	-37	7	37	-30	37	37	37	.....	Methodological and statistical
2004											
Travel	7,930	8,171	-241	8,847	8,171	676	8,148	8,148	218	-23	
Business and personal.....	7,930	7,231	699	7,930	7,231	699	7,231	7,231	-699	.....	Statistical
Education.....		606	-606	671	606	65	671	671	671	65	Methodological and statistical
Medical.....		334	-334	246	334	-88	246	246	246	-88	Methodological and statistical
Passenger fares	2,506	1,833	673	2,506	1,833	673	1,833	1,833	-673	.....	Statistical
Other transportation	2,744	2,750	-6	2,744	2,733	11	2,779	2,779	35	29	
Freight.....	2,165	2,173	-8	2,161	2,122	39	2,167	2,167	2	-6	
Ocean.....	204	318	-114	200	228	-28	236	236	32	-82	Definitional, methodological, and statistical
Air.....	114	30	84	114	69	45	69	69	-45	39	Definitional and statistical
Truck.....	1,429	1,429	.....	1,429	1,429	.....	1,429	1,429	.....	.....	Statistical
Other	418	396	22	418	396	22	433	433	15	37	Definitional and statistical
Port services	579	544	35	579	575	4	576	576	-3	32	Definitional and statistical
Vessel operators.....	80	22	58	80	40	40	40	40	-40	18	Definitional and statistical
Airline operators.....	330	497	-167	330	329	1	330	330	.....	-167	Methodological and statistical
Other	169	25	144	169	206	-37	206	206	37	181	Definitional and statistical
Other .....	.....	33	-33	4	36	-32	36	36	36	3	Definitional, methodological, and statistical

Table 5.2. Travel, Passenger Fares, and Other Transportation, Southbound
 [Millions of U.S. dollars]

	Published estimates			Common-basis estimates after definitional and methodological adjustments			Reconciled estimates, including statistical adjustments		Total adjustments to published estimates		
	Canadian receipts	U.S. payments	Difference	Canadian receipts	U.S. payments	Difference	Canadian receipts	U.S. payments	Canada	United States	Type of adjustment
2003											
Travel	6,479	6,376	103	6,479	6,496	-17	6,479	6,479	.....	103	
Business and personal	6,298	6,376	-78	6,298	6,376	-78	6,298	6,298	.....	-78	Statistical
Education	121	.....	121	121	58	63	121	121	.....	121	Methodological and statistical
Medical	59	.....	59	59	62	-3	59	59	.....	59	Methodological and statistical
Passenger fares	405	406	-1	405	406	-1	405	405	.....	-1	Statistical
Other transportation	3,257	3,618	-361	3,273	3,374	-101	3,370	3,370	113	-248	
Freight	2,635	2,851	-216	2,635	2,672	-37	2,703	2,703	68	-148	
Ocean	124	291	-167	124	251	-127	188	188	64	-103	Methodological and statistical
Air	59	59	.....	59	59	.....	59	59	.....	.....
Truck	2,256	2,260	-4	2,256	2,260	-4	2,260	2,260	4	.....	Statistical
Other	196	241	-45	196	102	94	196	196	.....	-45	Methodological and statistical
Port services	504	767	-263	608	662	-54	627	627	123	-140	
Vessel operators	67	107	-40	71	54	17	54	54	-13	-53	Definitional and statistical
Airline operators	374	565	-191	374	374	.....	374	374	.....	-191	Methodological
Other	63	95	-32	163	234	-71	199	199	136	104	Methodological and statistical
Other	118	.....	118	29	40	-11	40	40	-78	40	Definitional, methodological, and statistical
2004											
Travel	7,583	7,178	405	7,583	7,306	277	7,583	7,583	.....	405	
Business and personal	7,365	7,178	187	7,365	7,178	187	7,365	7,365	.....	187	Statistical
Education	154	.....	154	154	64	90	154	154	.....	154	Methodological and statistical
Medical	64	.....	64	64	64	.....	64	64	.....	64	Methodological and statistical
Passenger fares	445	442	3	445	442	3	445	445	.....	3	Statistical
Other transportation	3,665	4,057	-392	3,545	3,718	-173	3,689	3,689	24	-368	
Freight	2,937	3,183	-246	2,877	2,997	-120	2,996	2,996	59	-187	
Ocean	180	414	-234	136	372	-236	254	254	74	-160	Definitional, methodological, and statistical
Air	33	33	.....	33	33	.....	33	33	.....	.....
Truck	2,485	2,485	.....	2,485	2,485	.....	2,485	2,485	-15	-27	Methodological and statistical
Other	239	251	-12	224	107	117	224	224	.....	.....
Port services	578	874	-296	630	679	-49	651	651	73	-223	
Vessel operators	80	149	-69	83	75	8	75	75	-5	-74	Definitional and statistical
Airline operators	425	647	-222	382	382	.....	382	382	-43	-265	Definitional and methodological
Other	73	78	-5	165	222	-57	194	194	121	116	Methodological and statistical
Other	150	.....	150	38	42	-4	42	42	-108	42	Definitional, methodological, and statistical

Table 6.1. Other Services, Northbound

[Millions of U.S. dollars]

	Published estimates			Common-basis estimates after definitional and methodological adjustments			Reconciled estimates, including statistical adjustments			Total adjustments to published estimates		
	U.S. receipts	Canadian payments	Difference	U.S. receipts	Canadian payments	Difference	U.S. receipts	Canadian payments	United States	Canada	Type of adjustment	
2003												
Total.....	16,155	16,931	-776	14,927	16,038	-1,111	16,106	16,106	-49	-825		
Affiliated	7,850	9,073	-1,223	7,486	8,972	-1,486	7,686	7,686	-164	-1,387	Definitional, methodological, and statistical	
Royalties and license fees.....	2,925	2,762	163	2,925	2,759	166	(¹)	(¹)	(¹)	(¹)		
Other services.....	4,925	6,312	-1,387	4,561	6,212	-1,651	(¹)	(¹)	(¹)	(¹)		
Unaffiliated	8,127	7,857	270	7,391	7,066	325	8,370	8,370	243	513		
Royalties, license fees, and selected services.....	1,385	1,609	-224	1,376	1,556	-180	1,376	1,376	-9	-233	Definitional, methodological, and statistical	
Insurance.....	753	625	128	753	596	157	753	753	128	128	Definitional and statistical	
Financial services	1,156	960	196	1,156	818	338	1,250	1,250	94	290	Definitional and statistical	
Education and training.....	678	17	661	33	24	9	33	33	16	-645	Methodological and statistical	
Communications	684	975	-291	684	555	129	684	684	684	-291	Methodological and statistical	
Computer services.....	1,152	757	395	1,152	761	391	1,152	1,152	1,152	395	Methodological and statistical	
Business services	1,533	1,071	462	1,235	1,376	-141	1,722	1,722	189	651	Methodological and statistical	
Sports and entertainment	570	1,391	-821	786	1,195	-409	1,206	1,206	636	-185	Definitional, methodological, and statistical	
Other private		203	-203							-203	Definitional and methodological	
Government:												
United States (nonmilitary).....	84	76	8	84	76	8	84	84	.....	8	Statistical
Canada	132	173	-41	132	110	22	110	110	-22	-63	Definitional, methodological, and statistical	
U.S. military sales.....	178	.....	178	50	.....	50	50	50	-128	50	Definitional and statistical
2004												
Total.....	16,736	18,969	-2,233	15,578	18,039	-2,461	17,374	17,374	638	-1,595		
Affiliated	8,170	10,409	-2,239	7,792	10,284	-2,492	8,492	8,492	322	-1,917	Definitional, methodological, and statistical	
Royalties and license fees.....	2,904	2,885	19	2,904	2,881	23	(¹)	(¹)	(¹)	(¹)		
Other services.....	5,266	7,524	-2,258	4,888	7,403	-2,515	(¹)	(¹)	(¹)	(¹)		
Unaffiliated	8,436	8,560	-124	7,745	7,755	-10	8,841	8,841	405	281		
Royalties, license fees, and selected services.....	1,424	1,676	-252	1,418	1,596	-178	1,418	1,418	-6	-258	Definitional, methodological, and statistical	
Insurance	751	782	-31	751	751	.....	751	751	.....	-31	Definitional and statistical
Financial services	1,223	947	276	1,223	827	396	1,329	1,329	106	382	Definitional and statistical	
Education and training	703	18	685	32	26	6	32	32	-671	14	Methodological and statistical	
Communications	753	958	-205	753	483	270	753	753	.....	-205	Methodological and statistical
Computer services	1,144	1,037	107	1,144	1,041	103	1,144	1,144	1,144	107	Methodological and statistical	
Business services	1,528	1,162	366	1,301	1,511	-210	1,814	1,814	286	652	Methodological and statistical	
Sports and entertainment	688	1,536	-848	901	1,328	-427	1,396	1,396	708	-140	Definitional, methodological, and statistical	
Other private		186	-186							-186	Definitional and methodological	
Government:												
United States (nonmilitary).....	90	77	13	90	77	13	90	90	.....	13	Statistical
Canada	132	181	-49	132	114	18	114	114	-18	-67	Definitional, methodological, and statistical	
U.S. military sales.....	130	.....	130	41	.....	41	41	41	-89	41	Definitional and statistical

1. Royalties and license fees are combined with "other" services for reconciliation.

Table 6.2. Other Services, Southbound
 [Millions of U.S. dollars]

	Published estimates			Common-basis estimates after definitional and methodological adjustments			Reconciled estimates, including statistical adjustments			Total adjustments to published estimates		
	Canadian receipts	U.S. payments	Difference	Canadian receipts	U.S. payments	Difference	Canadian receipts	U.S. payments	Canada	United States	Type of adjustment	
2003												
Total	13,892	9,628	4,264	11,974	9,643	2,331	11,625	11,625	-2,267	1,997		
Affiliated.....	5,901	4,405	1,496	4,980	4,364	616	4,477	4,477	-1,424	72	Definitional, methodological, and statistical	
Royalties and license fees.....	1,284	533	751	559	533	26	(¹)	(¹)	(¹)	(¹)		
Other services.....	4,617	3,872	745	4,422	3,831	591	(¹)	(¹)	(¹)	(¹)		
Unaffiliated.....	7,917	5,128	2,789	6,920	5,204	1,716	7,073	7,073	-844	1,945		
Royalties, license fees, and selected services.....	2,166	990	1,176	1,812	989	823	1,900	1,900	-266	910	Definitional and statistical	
Insurance.....	200	501	-301	201	501	-300	501	501	301	301	Definitional and statistical	
Financial services.....	349	191	158	357	191	166	207	207	-142	16	Definitional and statistical	
Education and training.....	60	105	-45	26	47	-21	47	47	-13	-58	Methodological and statistical	
Communications.....	1,034	381	653	647	381	266	514	514	-520	133	Methodological and statistical	
Computer services.....	1,504	1,411	93	1,504	1,411	93	1,440	1,440	-64	29	Statistical	
Business services.....	1,203	1,320	-117	1,251	934	317	1,332	1,332	129	12	Definitional, methodological, and statistical	
Sports and entertainment.....	1,028	39	989	900	560	340	900	900	-128	861	Definitional, methodological, and statistical	
Other private.....	151	.....	151	.....	.....	.....	.....	.....	-151	.....	Definitional and methodological	
Government:												
Canada.....	41	.....	41	41	.....	41	41	41	.....	41	Statistical	
United States (nondefense).....	181	190	-9	181	190	-9	190	190	9	9	Statistical	
U.S. defense expenditures.....	74	95	-21	74	75	-1	75	75	1	-20	Definitional and statistical	
2004												
Total	14,817	9,025	5,792	12,932	9,109	3,823	12,447	12,447	-2,370	3,422		
Affiliated.....	5,774	(D)	(D)	4,856	(D)	(D)	4,122	4,122	-1,652	(D)	Definitional, methodological, and statistical	
Royalties and license fees.....	1,393	(D)	(D)	668	(D)	(D)	(¹)	(¹)	(¹)	(¹)		
Other services.....	4,381	3,440	941	4,188	3,384	804	(¹)	(¹)	(¹)	(¹)		
Unaffiliated.....	8,929	(D)	(D)	7,962	(D)	(D)	8,209	8,209	-720	(D)		
Royalties, license fees, and selected services.....	2,550	(D)	(D)	2,193	(D)	(D)	2,270	2,270	-280	(D)	Definitional and statistical	
Insurance.....	170	644	-474	171	644	-473	644	644	474	474	Definitional and statistical	
Financial services.....	436	226	210	421	226	195	252	252	-184	26	Definitional and statistical	
Education and training.....	60	83	-23	26	19	7	26	26	-34	-57	Methodological and statistical	
Communications.....	1,089	337	752	652	337	315	495	495	-594	158	Methodological and statistical	
Computer services.....	1,649	1,189	460	1,649	1,189	460	1,593	1,593	-56	404	Statistical	
Business services.....	1,396	1,231	165	1,559	1,055	504	1,553	1,553	157	322	Definitional, methodological, and statistical	
Sports and entertainment.....	1,130	45	1,085	1,018	445	573	1,024	1,024	-106	979	Definitional, methodological, and statistical	
Other private.....	176	.....	176	.....	.....	.....	.....	.....	-176	.....	Definitional and methodological	
Government:												
Canada.....	44	.....	44	44	.....	44	44	44	.....	44	Statistical	
United States (nondefense).....	229	308	-79	229	308	-79	308	308	79	79	Statistical	
U.S. defense expenditures.....	114	136	-22	114	116	-2	116	116	2	-20	Definitional and statistical	

D Suppressed to avoid disclosure of data of individual companies.

1. Royalties and license fees are combined with "other" services for reconciliation.

Table 7.1. Investment Income, Northbound
 [Millions of U.S. dollars]

	Published estimates			Common-basis estimates after definitional and methodological adjustments			Reconciled estimates, including statistical adjustments		Total adjustments to published estimates		
	U.S. receipts	Canadian payments	Difference	U.S. receipts	Canadian payments	Difference	U.S. receipts	Canadian payments	United States	Canada	Type of adjustment
2003											
Investment Income	25,673	27,816	-2,143	25,757	24,409	1,348	27,518	27,518	1,845	-298	
Direct investment income	17,328	11,311	6,017	17,250	10,119	7,131	15,689	15,689	-1,639	4,378	
Earnings of incorporated affiliates	15,915	9,627	6,288	15,877	8,773	7,104	14,298	14,298	-1,617	4,671	Definitional and statistical
Dividends	3,905	3,749	156	3,867	2,893	974	4,230	4,230	325	481	Statistical
Reinvested earnings	12,010	5,878	6,132	12,010	5,880	6,130	10,068	10,068	-1,942	4,190	Definitional and statistical
Earnings of unincorporated affiliates	789	837	-48	789	825	-36	807	807	18	-30	Definition, methodological, and statistical
Interest	624	847	-223	584	521	63	584	584	-40	-263	Definition, methodological, and statistical
Other investment income	8,345	16,505	-8,160	8,507	14,290	-5,783	11,829	11,829	3,484	-4,676	
Securities	6,775	13,473	-6,698	7,422	13,208	-5,786	10,774	10,774	3,999	-2,699	Definition and statistical
Dividends	2,450	2,106	344	2,450	1,841	609	2,146	2,146	-304	40	Statistical
Interest	4,325	11,367	-7,042	4,972	11,367	-6,395	8,628	8,628	4,303	-2,739	Definition and statistical
U.S. claims/Canadian liabilities	1,570	3,032	-1,462	1,085	1,082	3	1,055	1,055	-515	-1,977	Definition, methodological, and statistical
U.S. bank claims	1,237	1,205	32	502	469	33	486	486	-751	-719	Definition, methodological, and statistical
Other private U.S. claims	333	1,827	-1,494	583	613	-30	569	569	236	-1,258	Definition, methodological, and statistical
2004											
Investment Income	32,536	32,699	-163	32,601	28,865	3,736	34,100	34,100	1,564	1,401	
Direct investment income	22,567	15,467	7,100	22,440	13,954	8,486	21,139	21,139	-1,428	5,672	
Earnings of incorporated affiliates	21,172	13,197	7,975	21,090	12,162	8,928	19,512	19,512	-1,660	6,315	Definitional and statistical
Dividends	2,971	5,275	-2,304	2,889	4,240	-1,351	4,515	4,515	1,544	-760	Statistical
Reinvested earnings	18,201	7,922	10,279	18,201	7,922	10,279	14,997	14,997	-3,204	7,075	Definition and statistical
Earnings of unincorporated affiliates	688	1,254	-566	688	1,241	-553	965	965	277	-289	Definition, methodological, and statistical
Interest	707	1,016	-309	662	551	111	662	662	-45	-354	Definition, methodological, and statistical
Other investment income	9,969	17,232	-7,263	10,161	14,911	-4,750	12,961	12,961	2,992	-4,271	
Securities	8,121	14,141	-6,020	8,827	13,855	-5,028	11,740	11,740	3,619	-2,401	Definition and statistical
Dividends	3,401	2,272	1,129	3,402	1,986	1,416	2,694	2,694	422	-422	Statistical
Interest	4,720	11,869	-7,149	5,425	11,869	-6,444	9,046	9,046	4,326	-2,823	Definition and statistical
U.S. claims/Canadian liabilities	1,848	3,091	-1,243	1,334	1,056	278	1,221	1,221	-627	-1,870	Methodological and statistical
U.S. bank claims	1,525	980	545	709	394	315	551	551	-974	-429	Definition, methodological, and statistical
Other private U.S. claims	323	2,111	-1,788	625	662	-37	670	670	347	-1,441	Definition, methodological, and statistical

Table 7.2. Investment Income, Southbound
 [Millions of U.S. dollars]

	Published estimates			Common-basis estimates after definitional and methodological adjustments			Reconciled estimates, including statistical adjustments		Total adjustments to published estimates		
	Canadian receipts	U.S. payments	Difference	Canadian receipts	U.S. payments	Difference	Canadian receipts	U.S. payments	Canada	United States	Type of adjustment
2003											
Investment Income	7,199	8,881	-1,682	5,646	8,109	-2,463	7,869	7,869	670	-1,012	
Direct investment income	2,148	3,036	-888	1,727	2,748	-1,021	3,017	3,017	869	-19	
Earnings of incorporated affiliates	1,644	2,242	-598	1,805	1,945	-140	2,447	2,447	803	205	Definition, methodological, and statistical
Dividends	1,043	2,394	-1,351	1,285	2,097	-812	2,250	2,250	1,207	-144	Definition, methodological, and statistical
Reinvested earnings	601	-152	753	520	-152	672	197	197	-404	349	Methodological and statistical
Earnings of unincorporated affiliates	366	579	-213	-92	579	-671	346	346	-20	-233	Definition, methodological, and statistical
Interest	138	215	-77	14	224	-210	224	224	86	9	Definition, methodological, and statistical
Other investment income	5,051	5,845	-794	3,919	5,361	-1,442	4,852	4,852	-199	-993	
Securities	2,760	4,165	-1,405	2,537	4,165	-1,628	3,400	3,400	640	-765	Definition and statistical
Dividends	2,198	2,568	-370	2,017	2,568	-551	2,292	2,292	94	-276	Statistical
Interest	562	1,597	-1,035	520	1,597	-1,077	1,108	1,108	546	-489	Definition and statistical
Canadian claims/U.S. liabilities	1,386	720	666	555	236	319	558	558	-828	-162	Definition, methodological, and statistical
Canadian bank claims	786	376	410	-41	158	-199	-4	-4	-790	-380	Definition, methodological, and statistical
Other private Canadian claims	600	344	256	596	78	518	562	562	-38	218	Definition, methodological, and statistical
U.S. Government liabilities	905	960	-55	827	960	-133	894	894	-11	-66	Definition and statistical
2004											
Investment Income	11,079	13,928	-2,849	9,829	13,211	-3,382	12,452	12,452	1,373	-1,476	
Direct investment income	5,108	6,520	-1,412	4,642	6,316	-1,674	6,021	6,021	913	-499	
Earnings of incorporated affiliates	4,439	5,643	-1,204	4,636	5,432	-796	5,528	5,528	1,089	-115	Definition, methodological, and statistical
Dividends	1,382	1,837	-455	1,666	1,626	40	1,691	1,691	309	-146	Definition, methodological, and statistical
Reinvested earnings	3,057	3,806	-749	2,970	3,806	-836	3,837	3,837	780	31	Definition, methodological, and statistical
Earnings of unincorporated affiliates	352	676	-324	676	676	-805	285	285	-67	-391	Definition, methodological, and statistical
Interest	317	201	116	135	208	-73	208	208	-109	7	Definition, methodological, and statistical
Other investment income	5,971	7,408	-1,437	5,187	6,895	-1,708	6,431	6,431	460	-977	
Securities	3,195	5,447	-2,252	3,289	5,447	-2,158	4,719	4,719	1,524	-728	Definition and statistical
Dividends	2,536	3,570	-1,034	2,326	3,570	-1,244	3,259	3,259	723	-311	Statistical
Interest	659	1,877	-1,218	963	1,877	-914	1,460	1,460	801	-417	Definition and statistical
Canadian claims/U.S. liabilities	1,805	793	1,012	965	280	685	662	662	-1,143	-131	Definition, methodological, and statistical
Canadian bank claims	1,187	433	754	352	161	191	60	60	-1,127	-373	Definition, methodological, and statistical
Other private Canadian claims	618	360	258	613	119	494	602	602	-16	242	Definition, methodological, and statistical
U.S. Government liabilities	971	1,168	-197	933	1,168	-235	1,050	1,050	79	-118	Definition and statistical